



Program Disclosure - Neighborhood Stabilization Program

Department of Neighborhood Development - The Boston Home Center



The Boston Home Center, through its Neighborhood Stabilization Program, assists eligible homebuyers with mortgage write-down assistance or rehabilitation assistance. This program is subject to funding availability.

To qualify for a loan, applicant agrees to the following:

ELIGIBILITY REQUIREMENTS

In order to qualify for assistance, you must meet the following criteria:

- The buyer’s maximum household income cannot exceed 120% HUD Area Median Income based on household size (as shown below):

1-person household.....\$77,100	5-person household.....\$118,950
2-person household.....\$88,150	6-person household.....\$127,800
3-person household.....\$99,150	7-person household.....\$136,600
4-person household.....\$110,150	8-person household.....\$145,400
- Buyer must take a minimum of 8 hours of homebuyer education/counseling ("Homebuyer 101") through the Boston Home Center or an approved agency, prior to closing.
Approved agencies: Massachusetts Affordable Housing Alliance (MAHA), Nuestra CDC, Urban Edge, Allston Brighton CDC and Neighborhood of Affordable Housing (NOAH).
- Buyer must use an approved City of Boston Participating Lender and an approved mortgage product.
- Buyer must agree to occupy the property as their primary residence during the mortgage term.
- Buyer cannot own any other real estate.
- Buyer must have at least 3% of their own funds put toward the property’s purchase price.
Note: Lenders may require more downpayment based on the loan program

TERMS AND CONDITIONS

Note, the use of the singular "I" or "my" below, shall include the plural in the case of more than one Homebuyer.

- I, as a buyer of a home in the City of Boston, do hereby apply for financial assistance under the mortgage write down or rehabilitation program from the Boston Home Center. I hereby certify and warrant as follows:
- The household income information includes all persons who intend to reside in the dwelling, which I will occupy. I have included their age(s), relationship to me, their source(s) of income, and current annualized gross income from all sources (both taxable income, and non-taxable income), including but not limited to: **earnings, overtime, IRA distributions, part-time employment, bonuses, dividends, interest, annuities, pensions, Veterans Administration (VA) Compensation, gross rental or lease income, commissions, deferred income, welfare payments, social security benefits, disability payments, alimony, support payments, public assistance, sick pay, unemployment compensation, and income received from trusts, business activities, and investments.**
 - I understand that, prior to receiving financial assistance, I will be required to sign a Promissory Note and Mortgage for the full amount of assistance received. Upon request, The Department of Neighborhood Development of the City of Boston (DND) will provide me with a copy of the Promissory Note, which lists the conditions attached to receiving financial assistance under the Program. I will read the Promissory Note, or have it read to me, and understand these conditions. I understand that I will be required to sign the Promissory Note, and the corresponding Mortgage, prior to actually receiving financial assistance. I understand the benefits of consulting an attorney to review such documents for me.
 - I am aware that the mortgage term is as follows:

For loans of less than \$40,000 the term is 10 years. If I sell, refinance, or no longer occupy the property as my primary residence, within the first 5 years of the mortgage term I am aware I must repay the loan in full. The loan balance will decline by 20% per year during the remaining mortgage term. At the end of 10 years, the loan is forgiven.

For loans of \$40,000 or more the term is 15 years. If I sell, refinance, or no longer occupy the property as my primary residence, within the first 5 years of the mortgage term I am aware I must repay the loan in full. The loan balance will decline by 10% per year during the remaining mortgage term. At the end of 15 years, the loan is forgiven.
 - I certify that I am moving into a vacant unit and my occupancy will not displace tenants. I will not raise the rents of tenants in an effort to cause them to move from the property within my first year of ownership. I will inform the seller of the property, which I am purchasing that the sale of the property is voluntary. I will inform them that if they do not wish to sell, that I, the buyer, do not have the right to acquire the property by eminent domain.

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- I intend to occupy the home I am purchasing as my primary residence within sixty (60) days of the date of closing unless otherwise agreed upon by DND and shall continually occupy the home thereafter for the mortgage term.
- I certify that I do not currently own a home.
- I am aware that the purchase price of the property cannot exceed 99% of the appraised value, as ordered and determined by DND.
- I understand that I must have at least 3% of the purchase price in my own funds to contribute to this transaction.
- I understand that if I have more than \$75,000 in assets, I am not eligible for assistance.
- I am aware that the property I am buying must have a Visual Paint Inspection completed before the loan closing. In the event the inspection shows peeling, chipping and/or cracking paint above acceptable lead levels, the home must be made Lead Safe. A Certificate of Full De-leading Compliance dated within the past two years and issued by a qualified lead inspector may be used in place of a Visual Paint Inspection.
- If a child under the age of 6 will reside in the property and the property was built before 1978, the property must meet Massachusetts Lead Law Requirements. I am aware that, I must provide to DND a Letter of Full De-leading Compliance, as defined by Massachusetts Lead Law and issued by a qualified licensed lead inspector. I am aware a child under 6 may not reside in a property that does not meet Massachusetts's lead law requirements.
- I am aware that I must comply with the regulations set forth by the Massachusetts Department of Public Health in 105 CMR 460.000 "Lead Poisoning Prevention and Control."
- I have received, as part of my approved homebuyer education course, the United States Department of Housing and Urban Development ("HUD") / United States Environmental Protection Agency ("EPA") Lead Hazard Control booklet "Protect Your Family From Lead In Your Home."
- I am aware that I must have an inspection of the property by the City of Boston's Boston Home Center indicating that the property meets the housing quality standards set forth in the regulations of HUD at 24 CFR 982.401. A Certificate of Fitness or Certificate of Occupancy issued within the last 24 months may be submitted in place of a Housing Quality Standards Inspection.
- I agree that I will not convert the property to Condominiums during the mortgage term.
- I am aware that I must purchase an eligible property. An eligible property is a single, two or three family residence, or condominium. The property being purchased must be a Real Estate Owned property or a property that is petitioned for foreclosure or delinquent 60 days or more. The property must be located in a designated neighborhood located in the City of Boston and identified by DND as the Neighborhood Stabilization Program ("NSP") area or the Foreclosure Intervention Team ("FIT") area.
- I am aware that within one (1) year of closing I must complete the required post-purchase "Homeowner 201" class conducted by the Massachusetts Affordable Housing Alliance.
- I acknowledge that, upon submission, review, and approval of required documentation, the City of Boston will issue a Fund Reservation Number, which will reserve funds for my closing for thirty (30) days. This reservation may be extended at the request of myself, or my Lender. The extension will only be granted if funds are still available and I still meet all eligibility criteria and program requirements.

AFFIRMATIONS

I authorize DND or the Lender to release my name to a selected foreclosure prevention-counseling agency in the event I become sixty (60) days delinquent in paying my mortgage.

I have never been convicted of real property arson, tenant harassment in Housing Court or in violation of the Fair Housing Laws.

I am not presently in mediation with the Boston Fair Housing Commission or the Massachusetts Commission Against Discrimination.

I am not presently a defendant in a criminal complaint in Housing Court for a Fair Housing violation or in an arson case.

I do not presently, nor have I in the past, owed any past due real estate taxes to the City of Boston.

I am not presently an employee of DND, nor have I been for any period during the last twelve (12) months. I also have no immediate family members who are employees of DND or have been during any period in the last twelve (12) months.

I am aware that the information contained herein is subject to verification by DND or its agents. I hereby give my permission to DND's participating lender to which I have applied for mortgage financing, to release confidential materials relevant to my mortgage loan to DND or its respective agents, for the purpose of verifying information contained in this application. This application may be reproduced and that copy shall be as effective as this original consent.

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I understand that if I have made any material misstatements in the foregoing representations, on the lender's mortgage application or on any statements or documents related to this financial assistance loan; or if I have omitted any of the information requested, or not complied with any of the provisions contained herein, this will be considered an event of default and the financial assistance provided to me through the NSP Program must be repaid by me to DND or its respective agent.

I/we declare under penalties of perjury that the foregoing information is true, accurate, complete and correct in all respects. I hereby authorize the City of Boston to independently verify the information provided here and also to investigate my records of credit. I certify that I have read the Terms and Conditions, and I agree to the Terms and Conditions of this program.

Applicant (print name)

Applicant (signature)

Date

Co-Applicant (print name)

Co-Applicant (signature)

Date